Contact: Chris Paolino, (202) 208-6416

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Kempthorne, Palauan Leaders Focus on Environmental, Economic Development Improvements to Islands

KOROR, Republic of Palau – On the third stop of his official visit to U.S.-affiliated Pacific communities, Secretary of the Interior Dirk Kempthorne spent two days here discussing environmental, tourism and economic development issues with government and traditional leaders.

Kempthorne, whose department administers the financial assistance provided to Palau under its Compact of Free Association with the United States, met with Palau President Tommy Remengesau, Vice-President Elias Camsek Chin, legislators, Paramount Chief Ibedul, Paramount Chief Reklei and other traditional leaders during his visit to this freely associated state in the Western Pacific.

"I have discovered that Palau truly is one of the most beautiful places on Earth," Kempthorne said after visiting Palau's pristine Rock Islands with President Remengesau. "President Remengesau deserves commendation for his commitment to environmental protection, specifically the President's Micronesian Challenge, which has put him and Palau on the map as world leaders in environmental conservation. I am proud that the Department of the Interior provides crucial funding to assist in conservation efforts here."

The Micronesian Challenge sets a goal of protecting 30 percent of the near shore marine resources and 20 percent of the land resources in the Micronesia region under active conservation by 2020. In fiscal year 2006, Interior provided \$25,000 for the Micronesia Challenge and \$40,000 to assist coral reef preservation and other environmental protection activities for Palau's Helen's Reef and Tobi Island. In fiscal years 2004-2007, the Department provided \$35,000 to assist Palau's Coral Reef Initiative. Interior provides \$150,000 each fiscal year for similar projects elsewhere in Micronesia.

At President Remengasau's invitation, Kempthorne joined him in a snorkeling tour of Jellyfish Lake, a saltwater lake that is home to an estimated 10 million jellyfish. Because the jellyfish have no natural predators in the lake, they have evolved to the point where they now pose little threat of stinging human visitors to the lake. The Department of the Interior funded accessibility projects at Jellyfish Lake, including a trail and two docks.

In 2005, the Rock Islands area was the site of the CBS reality TV program, "Survivor, Palau." Tourism is Palau's major industry.

Kempthorne was accompanied by BJ Penn, Assistant Secretary of the Navy for Installations and Environment, Donald Schregardus, Deputy Assistant Secretary of the Navy for Environment and David Cohen, Interior's Deputy Assistant Secretary for Insular Affairs.

Kempthorne and President Remengesau, both avid Harley Davidson motorcycle riders, joined about a dozen Harley enthusiasts for a ride along the soon-to-be-completed Compact Road, a 53 mile road around the island of Babeldaob leading to Palau's new national capitol complex in Melekeok. The Compact Road provides a vital link between villages that were previously accessible only by sea or poor secondary roads.

It is expected that the Compact Road will provide access to the interior of the island for residential, agricultural, commercial and tourism development. Interior funded the entire design and construction of the \$149 million road. Along the ride, Kempthorne was briefed by representatives from the U.S. Army Corps of Engineers, which was hired by Interior's Office of Insular Affairs to oversee the Compact Road construction.

Kempthorne and Remengesau also visited a Department of Defense Civic Action Team camp to thank the U.S. Navy personnel for their service to the United States and the people of Palau. Under the Compact of Free Association, the Civic Action Team provides construction assistance for public service projects, performs a number of quality-of-life and community relations services to the people of Palau and trains local residents in construction and other trades.

Additionally, Kempthorne visited Belau National Hospital, which was constructed with \$24 million in funding from Interior. The 80-bed facility is the major source of healthcare for the Palauan people. During the visit, Minister of Health Victor Yano briefed Kempthorne on the primary health challenges in Palau. Kempthorne also visited the Palau International Coral Reef Center, established in the late 1990s in partnership with the United States and Japan.

Kempthorne's official visit to U.S.-affiliated Pacific island communities includes the Federated States of Micronesia and the Republic of the Marshall Islands, in addition to Palau. All are freely-associated states. He also visited the U.S. territories of Guam and the Commonwealth of the Northern Mariana Islands and will visit American Samoa.

As Secretary of the Interior, Kempthorne is responsible for overseeing the federal government's relationship with the U.S. territories and administering U.S. financial assistance to the freely associated states under the Compacts of Free Association.

Prior to becoming sovereign nations, Palau, the Federated States of Micronesia and the Republic of the Marshall Islands were part of the U.S.-administered U.N. Trust Territory of the Pacific Islands. They negotiated with the United States to become independent

nations with a unique relationship to the U.S. known as "free association". Under this status, the United States is responsible for the defense of the freely associated states and can deny other foreign powers military access to the islands' territory and waters.

Citizens of the freely associated states may migrate to the United States without a visa and live and work their indefinitely. The United States also provides substantial financial assistance to the freely associated states and makes them eligible for several domestic programs. The terms of this relationship are spelled out in bilateral agreements known as Compacts of Free Association.

Palau is about 800 miles south of Guam; 530 miles from the southern Philippines; and about 4,000 miles west/southwest of Honolulu. It consists of more than 500 islands stretching 150 miles in the Western Pacific. The major islands lie about seven degrees above the equator. Palau has a population of about 20,000; only eight of the islands are permanently inhabited. The archipelago has about 188 square miles of land, most of that on the largest island of Babeldaob.

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